

the cases of banks, in the cases of savings and loan companies, they not only conducted the real estate transaction but also own the aspects of the business when it came to title insurance but they would also offer the loan, a complete controlled setting. And I would maintain to this body that the traditional safeguards, the checks and balance system that are implied by the independent professions of title insurance agents and abstractors was under attack when we enter into a controlled business setting. The problem is not large when you consider numbers but when you consider percentages of business now that are controlled, largely in the metropolitan area in Omaha, Sarpy County, it is indeed a problem. Senator Remmers when he heard this bill before committee said, well, it looks to me like the horse is already out of the barn, that a lot of water has already got over the dam but I would maintain that we are just seeing the beginning of the problem and just simply because a horse got out of a barn doesn't mean we have to let the whole team. What is at stake here really is the protection of the consumer to make sure that he is not taken unfair advantage of by a controlled business system. Most consumers who purchase real estate don't understand what title insurance is all about and research of title. They are very culpable. They are easily persuaded to work with the real estate broker or a savings and loan in respect of going to their title insurance business. LB 215 though doesn't take and turn the clock, the hands of time backward. What it proposes to do is to grandfather in those controlled businesses that already exist in Nebraska and they are few in number, probably about six or seven, but dealing some of the largest real estate companies in the state, make an exemption for lawyers but keeping everything else at a status quo and preserving the integrity of these professions and the interests of the consumers. I would ask the Legislature to advance LB 215 to E & R initial. Thank you.

SPEAKER NICHOL: Senator Labedz.

SENATOR LABEDZ: Thank you, Mr. President, and members of the Legislature, I feel the passage of LB 215 will benefit the consumer in the real estate transaction as well as representing the seller. The bill will ensure competitive pricing and expert title examination through competition and service. When the large realty companies and lenders control all phases of a land sale transaction, the small businessman will no longer be able to compete. The realtors will become the salesman, the lender, the title agent, and the closing officer, and others. I realize that LB 215 deals with the problems of controlled business in the title